

Message Text

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PAGE 01 CARACA 01449 102126Z
ACTION ARA-10

INFO OCT-01 ISO-00 EB-08 /019 W
-----110335Z 129914 /64
R 102110Z FEB 77
FM AMEMBASSY CARACAS
TO USDOC WASHDC
INFO SECSTATE WASHDC 6565

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PASS TO OED/MEPD AND OIM

E.O. 11652: N/A
TAGS: BENC, VE
SUBJECT: MAJOR PROJECT: GURI DAM

REF: CARACAS 574

(1) DURING COURSE OF VISIT BY STEPHEN CONGER, DIRECTOR, MAJOR EXPORT PROJECTS DIVISION, ON INGENIERO ALBERTO ALAZRACHI, GERENTE DE LA DIVISION DE PLANIFICACION Y OBRAS DE TRANSMISION DE ELECTRIFICACION DEL CARONI C.A. (EDELCA), THE LATTER MADE FOLLOWING COMMENTS REGARDING THE STATUS OF THE BIDDING ON THE GURI DAM. THE PROBLEM WITH ALL OF THE US BIDS, MORRISON-KNUDSEN, DRAVO AND ATKINSON, IS THAT THEY WERE MADE ON A BASIS OF TARGET ESTIMATES AND WERE NOT RESPONSIVE TO THE FIXED PRICE BASIS REQUIRED BY EDELCA. LEGAL REQUIREMENTS GIVE NO LATITUDE TO EDELCA IN DETERMINING THE BID WINNER. THE LOWEST, FULLY QUALIFIED, BIDDER MUST RECEIVE THE CONTRACT, NOTWITHSTANDING ALAZRACHI'S AND EDELCA'S PREFERENCE FOR GIVING THE WORK TO A LARGE US FIRM.

(2) THERE WERE SERIOUS PROBLEMS WITH BOTH THE M.K. I. AND DRAVO BIDS. ALAZRACHI TERMED THE LATTER AS "SLOPPY".
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M.K.I. ESTIMATED \$25 MILLION FOR AN EARTHEN DAM WHICH WAS PRICED BY THE OTHER FOUR CONSORTIA AT BETWEEN \$280 AND \$335 MILLION AND ESTIMATED BY HARZA AND BECHTEL AT \$300 MILLION.

(3) RELYING ON THE ABOVE INFORMATION, THE BRAZILIAN CONSORTIUM WOULD SEEM TO BE THE FRONT RUNNER. ALAZRACHI

INSISTS NOTHING HAS BEEN DECIDED YET. A CONSISTENTLY
REPEATED RUMOR HAS IT THAT THE BRAZILIAN CONSORTIUM HAS
HAD THE PROJECT LOCKED UP FROM THE BEGINNING FOR POLITICAL
REASONS. AN EQUALLY PERSISTENT ACCOUNT HAS IT THAT THE GOV
WILL NEVER PERMIT AWARDED A PROJECT THIS LARGE TO BRAZIL.
VAKY

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Sent Date: 10-Feb-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977CARACA01449
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770048-1173
Format: TEL
From: CARACAS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770255/aaaabwqp.tel
Line Count: 68
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 525b74c8-c288-dd11-92da-001cc4696bcc
Office: ACTION ARA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 CARACAS 574
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 31-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3357235
Secure: OPEN
Status: NATIVE
Subject: MAJOR PROJECT: GURI DAM
TAGS: BENC, VE
To: COM
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/525b74c8-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
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